

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

In re: \_\_\_\_\_

Chapter 11 Case No.

**Lehman Brothers Holdings Inc., et al.,**

08-13555

\_\_\_\_\_  
Debtors.

**NOVEMBER 2012 POST-EFFECTIVE OPERATING REPORT**

NOVEMBER 2012

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

SCHEDULE OF PROFESSIONAL FEE AND EXPENSE DISBURSEMENTS

DEBTORS' ADDRESS: LEHMAN BROTHERS HOLDINGS INC.  
c/o WILLIAM J. FOX  
1271 AVENUE OF THE AMERICAS  
40th FLOOR  
NEW YORK, NY 10020

DEBTORS' ATTORNEYS: WEIL, GOTSHAL & MANGES LLP  
c/o HARVEY R. MILLER, LORI R. FIFE  
767 FIFTH AVENUE  
NEW YORK, NY 10153

REPORT PREPARER: LEHMAN BROTHERS HOLDINGS INC., AS PLAN ADMINISTRATOR

Date: December 26, 2012

Indicate if this is an amended statement by checking here: AMENDED STATEMENT ☐

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**SCHEDULE OF DEBTORS**

The following entities (the “Debtors”) filed for bankruptcy in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”). On December 6, 2011, the Bankruptcy Court confirmed the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and its Affiliated Debtors (the “Plan”). On March 6, 2012, the “Effective Date” (as defined in the Plan) occurred. The Debtors’ Chapter 11 cases remain open as of the date hereof.

	<u>Case No.</u>	<u>Date Filed</u>
Lehman Brothers Holdings Inc. (“LBHI”) .....	08-13555	9/15/2008
LB 745 LLC.....	08-13600	9/16/2008
PAMI Statler Arms LLC.....	08-13664	9/23/2008
Lehman Brothers Commodity Services Inc. (“LBCS”) .....	08-13885	10/3/2008
Lehman Brothers Special Financing Inc. (“LBSF”) .....	08-13888	10/3/2008
Lehman Brothers OTC Derivatives Inc. (“LOT”).....	08-13893	10/3/2008
Lehman Brothers Derivative Products Inc. (“LBDP”) .....	08-13899	10/5/2008
Lehman Commercial Paper Inc. (“LCPI”).....	08-13900	10/5/2008
Lehman Brothers Commercial Corporation (“LBCC”) .....	08-13901	10/5/2008
Lehman Brothers Financial Products Inc.(“LBFP”) .....	08-13902	10/5/2008
Lehman Scottish Finance L.P. ....	08-13904	10/5/2008
CES Aviation LLC .....	08-13905	10/5/2008
CES Aviation V LLC.....	08-13906	10/5/2008
CES Aviation IX LLC .....	08-13907	10/5/2008
East Dover Limited.....	08-13908	10/5/2008
Luxembourg Residential Properties Loan Finance S.a.r.l.....	09-10108	1/7/2009
BNC Mortgage LLC .....	09-10137	1/9/2009
LB Rose Ranch LLC .....	09-10560	2/9/2009
Structured Asset Securities Corporation.....	09-10558	2/9/2009
LB 2080 Kalakaua Owners LLC .....	09-12516	4/23/2009
Merit LLC .....	09-17331	12/14/2009
LB Somerset LLC.....	09-17503	12/22/2009
LB Preferred Somerset LLC.....	09-17505	12/22/2009

The Company has established an email address to receive questions from readers regarding this presentation. The Company plans to review questions received and for those subjects which the Company determines a response would not (i) violate a confidentiality provision, (ii) place the Company in a competitive or negotiation disadvantage, or (iii) be unduly burdensome, the Company shall endeavor to post a response (maintaining the anonymity of the question origination) on the Epiq website maintained for the Company, [www.lehman-docket.com](http://www.lehman-docket.com). The Company assumes no obligation to respond to e-mail inquiries. Please provide questions in clear language with document references, and email to [QUESTIONS@lehmanholdings.com](mailto:QUESTIONS@lehmanholdings.com).

**LEHMAN BROTHERS HOLDINGS INC. ("LBHI") AND OTHER DEBTORS AND DEBTOR-  
CONTROLLED ENTITIES**

**BASIS OF PRESENTATION  
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS  
NOVEMBER 1, 2012 – NOVEMBER, 30 2012**

The information and data included in this November 2012 Post-Effective Operating Report (the "Operating Report") are derived from sources available to Lehman Brothers Holdings Inc. ("LBHI"), as Plan Administrator, and its Controlled Entities (collectively, the "Company"). The term "Controlled Entities" refers to those entities that are directly or indirectly controlled by LBHI, and excludes, among others, those entities that are under separate administrations in the United States or abroad and excludes Aurora Bank FSB, which is indirectly controlled by LBHI. LBHI and certain of its Controlled Entities had filed for protection under Chapter 11 of the Bankruptcy Code, and those entities are referred to herein as the "Debtors". The Debtors' Chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure. LBHI has prepared this Operating Report, which includes certain information as required by the Office of the US Trustee, based on the information available to LBHI at this time, but note that such information may be incomplete and may be materially deficient in certain respects. This Operating Report is not meant to be relied upon as a complete description of the Debtors, their business, condition (financial or otherwise), results of operations, prospects, assets or liabilities. LBHI reserves all rights to revise this report.

**Other items:**

1. This Operating Report is not prepared in accordance with U.S. generally accepted accounting principles (GAAP), is not audited and will not be subject to audit or review by the Company's external auditors at any time in the future. Cash balances and activity denominated in foreign currencies have been converted to US Dollars.
2. Beginning and ending balances include cash in demand-deposit accounts (DDA), money-market funds (MMF), treasury bills and other investments.
3. Beginning and ending cash balances are based on preliminary closing numbers and are subject to adjustment.
4. Beginning and ending cash and investment balances exclude the following:
  - Cash posted as collateral for hedging activity;
  - Cash related to LBHI's wholly-owned indirect subsidiary Aurora Bank FSB;
  - Cash held at real estate owned properties or at third party managers; and
  - Cash held at Archstone Enterprise LP and its subsidiaries.

5. Restricted cash balances are based on preliminary estimates and are comprised of the following items as of November 30, 2012:

(\$ in millions)	Debtors					Debtor- Controlled Entities	Total Debtors and Debtor- Controlled Entities
	LBHI	LBSF	LCPI	Other	Total		
Reserves for Claims:							
Disputed unsecured claims	\$ 2,010	\$ 2,235	\$ 64	\$ 1,494	\$ 5,803	\$ -	\$ 5,803
Priority tax claims <sup>(1)</sup>	2,200	117	0	5	2,322	-	2,322
Distributions on Allowed Claims (not remitted) <sup>(2)</sup>	130	138	137	8	412	-	412
Secured, Admin, Priority Claims and Other <sup>(3)</sup>	1,527	54	69	32	1,682	-	1,682
Subtotal, Claims Reserves	5,867	2,543	270	1,538	10,218	-	10,218
Cash pledged to JPMorgan (CDA) <sup>(4)</sup>	316	-	-	-	316	-	316
Citigroup and HSBC <sup>(5)</sup>	2,037	-	-	-	2,037	-	2,037
Woodlands and LB Bancorp <sup>(6)</sup>	-	-	-	-	-	577	577
Other <sup>(7)</sup>	245	86	50	32	412	114	526
<b>Total</b>	<b>\$ 8,466</b>	<b>\$ 2,629</b>	<b>\$ 319</b>	<b>\$ 1,570</b>	<b>\$ 12,984</b>	<b>\$ 690</b>	<b>\$ 13,674</b>

Totals may not foot due to rounding.

- (1) On November 1, 2012, the Debtors settled an asserted priority tax claim of \$627 million by the City of New York for \$113 million.
- (2) Represents distributions to creditors of Allowed Claims that were not paid related to the first distribution on April 17, 2012 and the second distribution on October 1, 2012. The \$412 million is comprised of approximately \$234 million for distributions held pending resolution on various items described in settlement agreements with certain Non-Controlled Affiliates and approximately \$178 million related to (i) claimants who failed to submit the proper taxpayer identification number forms and/or Office of Foreign Asset Control ("OFAC") forms and (ii) resolution of other open items.
- (3) Includes approximately \$1.2 billion reserved at LBHI for a disputed claim of the Federal Home Loan Mortgage Corporation that was asserted with priority status, \$172 million related to post-petition intercompany payables, \$90 million related to secured claims, \$28 million related to administrative claims and \$184 million related to other administrative activity and other.
- (4) Represents \$316 million of cash deposited into accounts by LBHI and pledged to JPMorgan ("JPM") pursuant to paragraph 6(b) of the Collateral Disposition Agreement ("CDA") with JPM effective March 31, 2010; related to, but not limited to, clearance exposures, derivative exposures and contingent letters of credit exposures, pending resolution of these items.
- (5) Represents cash deposited on or prior to September 15, 2008 by the Company in connection with certain requests and/or documents executed by the Company and Citibank N.A. of approximately \$2 billion and HSBC Bank PLC of \$30 million, including interest earned thereon.
- (6) Represents cash at Woodlands Commercial Corporation ("Woodlands") of \$545 million and its parent company, Lehman Brothers Bancorp Inc., a savings and loan holding company, of \$32 million, subject to various regulations and supervision by the Federal Reserve Board of Governors.
- (7) Other includes (i) various pre-petition balances on administrative hold by certain financial institutions of \$105 million; (ii) asserted misdirected wires and other cash received by LBHI for the benefit of third parties and Non-Controlled Affiliates of approximately \$115 million; (iii) cash collected by LBSF on derivative trades which collateralize certain notes of approximately \$85 million; (iv) cash collected by LCPI on behalf of a third party for \$42 million related to a loan participation agreement; (v) net cash

collections on assets reported on the books of LBHI and LCPI related to Intercompany-Only Repurchase transactions of approximately \$16 million; (vi) cash received by LBHI related to securities transferred to LBHI under the CDA with JPM of approximately \$23 million; and (vii) other cash required to be restricted by various agreements of \$140 million.

Restricted cash balances herein do not include other cash reserves required for operating expenses, asset preservation and other commitments (e.g. unfunded loans or anticipated investments).

LEHMAN BROTHERS HOLDINGS INC. and other Debtors and Debtor-Controlled Entities  
Summary Schedule of Cash Receipts and Disbursements  
November 1, 2012 - November 30, 2012

Unaudited (\$ in millions, foreign currencies reflected in USD equivalents)

	Debtors					Debtor-Controlled Entities				Total Debtors and Debtor-Controlled Entities
	LBHI	LBSF	LCPI	Other	Total	LB I Group	PAMI	Other	Total	Debtor-Controlled Entities
Beginning Free Cash and Investments (11/1/12)	\$ 1,417	\$ 584	\$ 747	\$ 32	\$ 2,780	\$ 201	\$ 52	\$ 1,447	\$ 1,700	\$ 4,480
Restricted Cash	9,105	2,621	352	1,570	13,647	-	-	688	688	14,336
Beginning Total Cash and Investments	10,522	3,204	1,099	1,602	16,427	201	52	2,135	2,388	18,815
Sources of Cash										
Commercial Real Estate	23	-	79	-	102	-	9	22	31	134
Loans (Corporate and Residential)	7	-	265	-	272	-	-	2	2	275
Private Equity / Principal Investing	44	-	1	-	45	68	-	26	94	139
Derivatives	1	89	-	41	130	-	-	(1)	(1)	129
Receipts from Affiliates	19	-	-	-	19	-	-	-	-	19
Other	5	1	(29)	(1)	(24)	0	0	1	1	(23)
Total Sources of Cash	100	90	316	40	546	69	9	50	128	674
Uses of Cash										
Non-Operating										
Commercial Real Estate	(1)	-	(4)	-	(6)	-	(8)	(12)	(20)	(26)
Loans (Corporate and Residential)	-	-	(19)	-	(19)	-	-	-	-	(19)
Private Equity / Principal Investing	(0)	-	(0)	-	(0)	(3)	-	-	(3)	(3)
Derivatives	-	(0)	-	-	(0)	-	-	-	-	(0)
Payments to Creditors	(108)	-	-	-	(108)	-	-	(7)	(7)	(115)
Other	(3)	-	(0)	(0)	(3)	-	-	(0)	(0)	(3)
Operating Expenses	(47)	(0)	(1)	(0)	(48)	(0)	(0)	(6)	(6)	(54)
Total Uses of Cash	(159)	(0)	(24)	(0)	(183)	(3)	(9)	(25)	(37)	(221)
Net Cash Flow	(59)	90	292	40	362	65	1	25	91	453
Inter-Company Transfers, Net	(156)	37	50	19	(50)	38	(3)	15	50	0
Transfers from (to) Securitization Trustee	-	-	(0)	-	(0)	-	-	-	-	(0)
Loan Agencies, Net	(0)	-	1	-	1	-	-	-	-	1
FX Fluctuation	(0)	0	(0)	(0)	(0)	-	-	(1)	(1)	(1)
Ending Total Cash and Investments	10,306	3,331	1,442	1,661	16,740	304	50	2,175	2,528	19,268
Restricted Cash	(8,466)	(2,629)	(319)	(1,570)	(12,984)	-	-	(690)	(690)	(13,674)
Ending Free Cash and Investments (11/30/12)	\$ 1,840	\$ 702	\$ 1,123	\$ 92	\$ 3,756	\$ 304	\$ 50	\$ 1,484	\$ 1,838	\$ 5,594

All values that are exactly zero are shown as "-". Values between zero and \$0.5 million appear as "0".  
Totals may not foot due to rounding.

**LEHMAN BROTHERS HOLDINGS INC. and other Debtors and Debtor-Controlled Entities**  
**Schedule of Cash Receipts and Disbursements**  
**November 1, 2012 - November 30, 2012**

Unaudited (\$ in millions, foreign currencies reflected in USD equivalents)

		Debtors				Debtor-Controlled Entities				Total Debtors and Debtor-Controlled Entities
		LBHI	LBSF	LCPI	Other	Total	LB I Group	PAMI	Other	Total
<b>Beginning Free Cash and Investments (11/1/12)</b>		\$ 1,417	\$ 584	\$ 747	\$ 32	\$ 2,780	\$ 201	\$ 52	\$ 1,447	\$ 1,700
Restricted Cash		9,105	2,621	352	1,570	13,647	-	-	688	688
<b>Beginning Total Cash and Investments</b>		<b>10,522</b>	<b>3,204</b>	<b>1,099</b>	<b>1,602</b>	<b>16,427</b>	<b>201</b>	<b>52</b>	<b>2,135</b>	<b>2,388</b>
<b>Sources of Cash</b>										
Commercial Real Estate										
Principal	(a)	7	-	75	-	81	-	8	22	29
Interest		16	-	4	-	21	-	2	0	2
Loans (Corporate and Residential)										
Principal	(b)	5	-	262	-	268	-	-	0	0
Interest		2	-	3	-	5	-	-	2	2
Private Equity / Principal Investing										
Principal		39	-	1	-	40	68	-	26	94
Interest and Dividends		5	-	0	-	5	-	-	-	-
Derivatives										
Return / (Posting) of Hedging Collateral, net		-	(6)	-	2	(4)	-	-	(1)	(1)
Collections from Live / Terminated Trades	(c)	1	102	-	38	141	-	-	0	0
Other		-	(7)	-	-	(7)	-	-	-	-
Receipts from Affiliates										
Distributions from Non-Controlled Affiliates		19	-	-	-	19	-	-	-	-
Other										
Interest	(d)	2	1	(2)	(1)	0	0	0	0	0
Other	(e)	3	-	(27)	-	(24)	-	-	1	1
<b>Total Sources of Cash</b>		<b>100</b>	<b>90</b>	<b>316</b>	<b>40</b>	<b>546</b>	<b>69</b>	<b>9</b>	<b>50</b>	<b>128</b>

All values that are exactly zero are shown as "-". Values between zero and \$0.5 million appear as "0".  
Totals may not foot due to rounding.



**LEHMAN BROTHERS HOLDINGS INC. and other Debtors and Debtor-Controlled Entities**  
**Schedule of Cash Receipts and Disbursements**  
**November 1, 2012 - November 30, 2012**

Unaudited (\$ in millions, foreign currencies reflected in USD equivalents)

	Debtors					Debtor-Controlled Entities				Total Debtors and Debtor- Controlled Entities
	LBHI	LBSF	LCPI	Other	Total	LB I Group	PAMI	Other	Total	
<b>Uses of Cash</b>										
Non-Operating										
Commercial Real Estate										
Preservation of Assets	(1)	-	(4)	-	(6)	-	(8)	(12)	(20)	(26)
Loans (Corporate and Residential)										
Preservation of Assets	-	-	(19)	-	(19)	-	-	-	-	(19)
Private Equity / Principal Investing										
Capital Calls	(0)	-	(0)	-	(0)	(3)	-	-	(3)	(3)
Derivatives										
Payments on Live Trades	-	(0)	-	-	(0)	-	-	-	-	(0)
Payments to Creditors										
Plan Distributions	(f) (108)	-	-	-	(108)	-	-	-	-	(108)
Payments to Creditors - Non Controlled Affiliates	-	-	-	-	-	-	-	(7)	(7)	(7)
Other										
Other	(3)	-	(0)	(0)	(3)	-	-	(0)	(0)	(3)
Operating Expenses	(g)									
Compensation and Benefits	(h) (8)	-	-	-	(8)	-	-	(3)	(3)	(11)
Professional Fees	(i) (35)	-	(0)	-	(35)	(0)	(0)	(0)	(1)	(35)
Other	(j) (4)	(0)	(0)	(0)	(5)	(0)	(0)	(2)	(3)	(8)
<b>Total Uses of Cash</b>	<b>(159)</b>	<b>(0)</b>	<b>(24)</b>	<b>(0)</b>	<b>(183)</b>	<b>(3)</b>	<b>(9)</b>	<b>(25)</b>	<b>(37)</b>	<b>(221)</b>
<b>Net Cash Flow</b>	<b>(59)</b>	<b>90</b>	<b>292</b>	<b>40</b>	<b>362</b>	<b>65</b>	<b>1</b>	<b>25</b>	<b>91</b>	<b>453</b>
Inter-Company Receipts	(k) 19	37	65	19	141	38	-	31	69	210
Inter-Company Disbursements	(k) (175)	(1)	(15)	-	(191)	-	(3)	(16)	(19)	(210)
Transfers from (to) Securitization Trustee	-	-	(0)	-	(0)	-	-	-	-	(0)
Loan Agencies, Net	(0)	-	1	-	1	-	-	-	-	1
FX Fluctuation	(0)	0	(0)	(0)	(0)	-	-	(1)	(1)	(1)
<b>Ending Total Cash and Investments</b>	<b>(l) 10,306</b>	<b>3,331</b>	<b>1,442</b>	<b>1,661</b>	<b>16,740</b>	<b>304</b>	<b>50</b>	<b>2,175</b>	<b>2,528</b>	<b>19,268</b>
Restricted Cash	(m) (8,466)	(2,629)	(319)	(1,570)	(12,984)	-	-	(690)	(690)	(13,674)
<b>Ending Free Cash and Investments (11/30/12)</b>	<b>\$ 1,840</b>	<b>\$ 702</b>	<b>\$ 1,123</b>	<b>\$ 92</b>	<b>\$ 3,756</b>	<b>\$ 304</b>	<b>\$ 50</b>	<b>\$ 1,484</b>	<b>\$ 1,838</b>	<b>\$ 5,594</b>

All values that are exactly zero are shown as "-". Values between zero and \$0.5 million appear as "0".

LEHMAN BROTHERS HOLDINGS INC. and other Debtors and Debtor-Controlled Entities  
Schedule of Cash Receipts and Disbursements  
November 1, 2012 - November 30, 2012

Unaudited (\$)

**Notes:**

- (a) Primarily includes cash received from principal pay downs related to Commercial Real Estate assets.
- (b) Primarily reflects cash received from the sale of assets and principal paydowns related to Corporate Loan assets, including \$130 million proceeds from the sale of the Tribune Company term loan.
- (c) Includes collections on live and terminated trades, net of purchases of SPV notes.
- (d) Includes interest collected on short term investments, net of purchased interest, and amortization on treasury investments.
- (e) Primarily includes net return / (posting) of collateral for FX hedging.
- (f) Includes \$113 million related to the settlement of an asserted priority tax claim of \$627 million by the City of New York, net of return payments from Plan Distributions.
- (g) A portion of the Operating Expenses paid by LBHI is subject to allocations to, and reimbursement from, various Controlled Entities.
- (h) Compensation and Benefits includes Company's employees expenses as well as monthly fees paid to Alvarez & Marsal as interim management.
- (i) Includes approximately \$12 million of professional fees approved by the Bankruptcy Court under section 503(b) of the bankruptcy code. Approximately \$35 million of professional fees and expenses related to holdback and final fee applications have been approved by the fee examiner and are expected to be paid in December 2012. Additionally, incentive and other fees of approximately \$87 million have been approved and are expected to be paid in December 2012.
- (j) Primarily includes expenses related to outsourced services and IT, occupancy, taxes, insurance and other operating disbursements.
- (k) Primarily includes the transfer from LBHI to certain Debtors and Debtor-Controlled Entities of \$126 million for excess cash reserves related to the settlement of an asserted priority tax claim with the City of New York. Intercompany transfers also include partial repayments on intercompany balances and other administrative activities.
- (l) Other Debtor-Controlled Entities - Other Ending Cash and Investments at November 30, 2012 includes \$668 million of cash balances at Controlled Entities in Asia.
- (m) The decrease in LBHI restricted cash balance primarily relates to the release of tax reserves as a result of the settlement (for \$113 million) of an asserted priority tax claim of \$627 million by the City of New York.

**LEHMAN BROTHERS HOLDINGS INC. ("LBHI") AND OTHER DEBTORS AND DEBTOR-  
CONTROLLED ENTITIES**

**BASIS OF PRESENTATION  
SCHEDULE OF PROFESSIONAL FEE AND EXPENSE DISBURSEMENTS  
FROM SEPTEMBER 15, 2008 TO NOVEMBER 30, 2012**

The information and data included in this November 2012 Post-Effective Operating Report (the "Operating Report") are derived from sources available to Lehman Brothers Holdings Inc. ("LBHI"), as Plan Administrator and its Controlled Entities (collectively, the "Company"). The term "Controlled Entities" refers to those entities that are directly or indirectly controlled by LBHI, and excludes, among others, those entities that are under separate administrations in the United States or abroad, and Aurora Bank FSB, which is indirectly controlled by LBHI. LBHI and certain of its Controlled Entities had filed for protection under Chapter 11 of the Bankruptcy Code, and those entities are referred to herein as the "Debtors". The Debtors' Chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure. LBHI has prepared this Operating Report, including certain information as required by the Office of the United States Trustee, based on the information available to LBHI at this time, but note that such information may be incomplete and may be materially deficient in certain respects. This Operating Report is not meant to be relied upon as a complete description of the Debtors, their business, condition (financial or otherwise), results of operations, prospects, assets or liabilities. LBHI reserves all rights to revise this report.

1. This Operating Report is not prepared in accordance with U.S. generally accepted accounting principles (GAAP), is not audited and will not be subject to audit or review by the Company's external auditors at any time in the future.
2. The professional fee disbursements presented in this report reflect the date of actual cash payments to professional service providers. The Company has incurred additional professional fee expenses during the reporting period that will be reflected in future Operating Reports as cash payments are made to providers.
3. The professional fee disbursements presented in this report have primarily been paid by LBHI; a portion of these fees have been and will be allocated to Debtors and certain Controlled Entities based on the dedicated costs associated with each entity and an allocation methodology.
4. This Operating Report includes disbursements for services rendered on or prior to March 6, 2012 ("Pre-Effective Date") and subsequent to March 6, 2012 ("Post-Effective Date"). Professional fees incurred Post-Effective Date are paid in accordance with the terms of the engagement of each professional as agreed to with LBHI, as Plan Administrator.

LEHMAN BROTHERS HOLDINGS INC. and Other Debtors and Other Controlled Entities  
Schedule of Professional Fee and Expense Disbursements  
For Services Rendered Pre-Effective Date  
November 2012 (a)

Unaudited (\$ in thousands)		For services rendered Pre-Effective	
		Date	
		Nov-2012	Sept-2008 Through Nov-2012
<b>Debtors - Claims and Noticing Agent</b>			
Epiq Bankruptcy Solutions LLC	Claims Management and Noticing Agent	\$ -	\$ 28,773
<b>Debtors - Section 363 Professionals</b>			
Alvarez & Marsal LLC	Interim Management	-	535,520
<b>Debtors - Section 327 Professionals</b>			
Akerman Senterfit	Special Counsel - Mortgage Litigation and Claims	-	26
Bingham McCutchen LLP	Special Counsel - Tax	-	24,199
Bortstein Legal LLC	Special Counsel - IT and Other Vendor Contracts	-	4,144
Curtis, Mallet-Prevost, Colt & Mosle LLP	Special Counsel - Conflicts	-	50,166
Dechert LLP	Special Counsel - Real Estate	-	7,736
Deloitte LLP	Tax Services	-	924
Ernst & Young LLP	Audit and Tax Services	-	1,734
Foster, Graham, Milstein & Calisher, LLP	Special Counsel - Mortgage Litigation and Claims	-	819
Fried, Frank, Harris, Shriver & Jacobson LLP	Special Counsel - Real Estate	-	496
Gibson Dunn & Crutcher LLP	Special Counsel - Real Estate	-	3,670
Hardinger & Tenenholz LLP	Special Counsel - Discovery	-	194
Jones Day	Special Counsel - Asia and Domestic Litigation	-	65,697
Kasowitz, Benson, Torres & Friedman	Special Counsel - Litigation	-	2,687
Kleyn Grasso Associates	Special Counsel - UK	-	1,078
Kramer Levin Naftalis and Frankel LLP	Special Counsel - Employee Matters	-	197
Krebsbach & Snyder, P.C.	Special Counsel - Litigation	-	598
Lazard Freres & Co.	Investment Banking Advisor	-	31,773
Locke Lord Bissell & Liddell LLP	Special Counsel - Mortgage Litigation and Claims	-	1,708
McKenna Long & Aldridge LLP	Special Counsel - Commercial Real Estate Lending	-	5,851
MMOR Consulting	Tax Services	-	1,012
Momo-o, Matsuo & Namba	Special Counsel - Asia	-	674
Moulton Bellingham P. C.	Special Counsel - Mortgage Litigation and Claims	-	691
O'Neil Group	Tax Services	-	3,288
Paul, Hastings, Janofsky & Walker LLP	Special Counsel - Real Estate	-	3,460
Pricewaterhouse Coopers LLP	Tax Services	-	2,531
Reed Smith LLP	Special Counsel - Insurance	-	1,235
Reilly Pozner LLP	Special Counsel - Mortgage Litigation and Claims	-	9,113
Simpson Thacher & Bartlett LLP	Special Counsel - SEC Reporting, Asset Sales, and Congressional Testimony	-	2,820
SNR Denton LLP	Special Counsel - Real Estate	-	2,524
Sutherland LLP	Special Counsel - Tax	-	969
Weil Gotshal & Manges LLP	Lead Counsel	-	419,228
Windsels Marx Lane & Mittendorf, LLP	Special Counsel - Real Estate	-	3,403
Wollmuth Maher & Deutsch LLP	Special Counsel - Derivatives	-	1,951
<b>Creditors - Section 327 Professionals</b>			
FTI Consulting Inc.	Financial Advisor	-	90,330
Houlihan Lokey Howard & Zukin Capital Inc.	Investment Banking Advisor	-	17,410
Milbank Tweed Hadley & McCloy LLP	Lead Counsel	-	140,320
Quinn Emanuel Urquhart Oliver & Hedges LLP	Special Counsel - Conflicts	-	35,803
Richard Sheldon, Q.C.	Special Counsel - UK	-	378
<b>Examiner - Section 327 Professionals</b>			
Duff & Phelps LLC	Financial Advisor	-	43,210
Jenner & Block LLP	Examiner	-	59,454
<b>Fee Examiner</b>			
Godfrey & Kahn, S.C.	Fee Examiner (Current)	440 (c)	7,434
<b>503(B) - Substantial Contribution Fees (b)</b>			
AlixPartners and Molinaro Advisors	LBHI Ad Hoc Group	2,824	2,824
Blackstone Advisory Partners LP	LBSF Working Group	-	12,710
Brown Rudnick LLP	LBT Ad Hoc Group	-	3,306
Goldman Sachs Lending Partners LLC	LBSF	-	3,112
White & Case LLP	LBHI Ad Hoc Group	9,519	9,519
<b>Total Non-Ordinary Course Professionals</b>		<b>12,783</b>	<b>1,646,704</b>
<b>Inactive Non-Ordinary Course Professionals</b>		-	<b>62,291</b> (e)
<b>Debtors - Ordinary Course Professionals</b>		-	<b>46,871</b>
<b>Other Professionals</b>		<b>29</b> (d)	<b>10,630</b>
<b>US Trustee Quarterly Fees</b>		-	<b>1,959</b>
<b>Total Pre-Effective Date Professional Fees and UST Fees</b>		<b>\$ 12,812</b>	<b>\$ 1,768,455</b>

(a) Approximately \$35 million of professional fees and expenses related to holdback and final fee applications have been approved by the fee examiner and are expected to be paid in December 2012. Additionally, incentive and other fees of approximately \$87 million have been approved and are expected to be paid in December 2012.  
(b) Reflects professional fees approved by the Bankruptcy Court under section 503(b) of the bankruptcy code.  
(c) Includes services rendered subsequent to March 2012 for the review of professional fee and expenses incurred during the Pre-Effective Date period.  
(d) Includes disbursements to various professionals not subject to court retention.  
(e) Clyde Click, P.C. and Gleacher have been reclassified and will be included in Inactive Non-Ordinary Course Professionals in future presentations.

**LEHMAN BROTHERS HOLDINGS INC. and Other Debtors and Other Controlled Entities**  
**Schedule of Professional Fee and Expense Disbursements**  
**For Services Rendered Post-Effective Date**  
**November 2012 (a)**

Unaudited (\$ in thousands)		For services rendered Post-Effective Date	
		March 7, 2012 -	
		Nov-2012	Nov-2012
Alvarez & Marsal LLC	Interim Management	\$ 5,216	\$ 43,987
<b>Professional Fees</b>			
Bingham McCutchen LLP	Special Counsel - Tax	948	4,128
Curtis, Mallet-Prevost, Colt & Mosle LLP	Special Counsel - Conflicts	-	4,590
Epiq Bankruptcy Solutions LLC	Claims Management and Noticing Agent	1,168	4,429
FTI Consulting Inc.	Financial Advisor - Creditors & Tax	767	1,151
Houlihan Lokey Howard & Zukin Capital Inc.	Investment Banking Advisor	-	441
Jones Day	Special Counsel - Asia and Domestic Litigation	-	1,825
Lazard Freres & Co.	Investment Banking Advisor	-	150
Milbank Tweed Hadley & McCloy LLP	Lead Counsel - Creditors	-	2,626
Pachulski Stang Ziehl & Jones	Special Counsel - Real Estate	671	1,014
Quinn Emanuel Urquhart Oliver & Hedges LLP	Special Counsel - Conflicts	1,054	4,076
Skadden, Arps, Slate, Meagher & Flom LLP	Board of Directors Counsel	-	958
Weil Gotshal & Manges LLP	Lead Counsel - Debtors	13,166	24,011
Wollmuth Maher & Deutsch LLP	Special Counsel - Derivatives	104	1,157
US Trustee Quarterly Fees		229	531
Other Professionals - Legal	Various	3,122	22,039 (b)
Other Professionals - Non-Legal	Various	1,025	6,664 (b)
Other Professionals - Asia	Various	468	2,313 (b)
Sub-total Professional Fees		<b>22,723</b>	<b>82,102</b>
<b>Total Post-Effective Date Professional Fees - Including Alvarez &amp; Marsal</b>		<b>\$ 27,939</b>	<b>\$ 126,089</b>

(a) Additional professional fee expenses have been incurred and are under review by the Company; these expenses will be reflected in future Operating Reports as cash payments are made to professionals.

(b) Includes disbursements to over 100 vendors of which the majority of these payments were less than \$150,000.